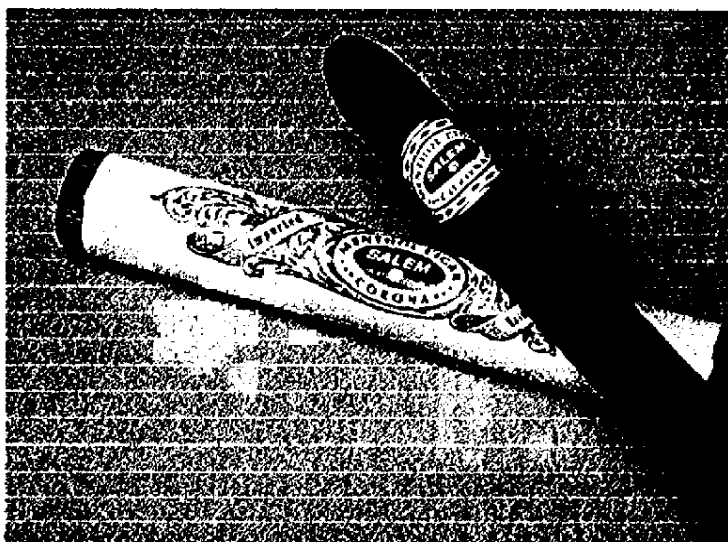
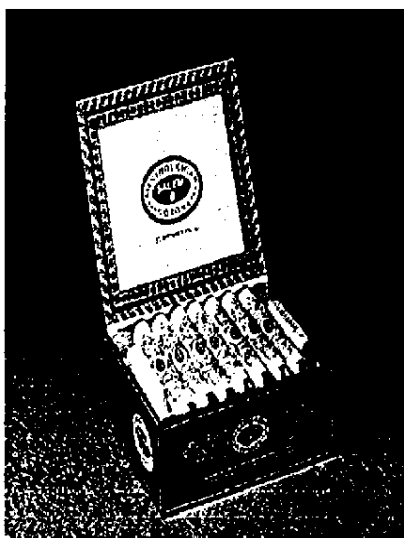




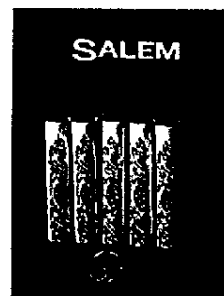
New York Metro Test Program

“Confidential”



51851 5728

Direct Account Name



Introducing SALEM Cigars with natural menthol. Lightly flavored with menthol for a smoother aftertaste and cooler smoking experience:

- A high quality corona-size cigar for menthol smokers
- 100% natural leaf wrapper
- Dominican, Honduran, and Italian filler
- Humidor tube keeps product fresh

Product Specifications

Case Dimensions	Weight	Boxes/Case	Tubes/Box	Units/Case
15.63"x12.64"x13.50"	25.5 lbs.	20	25	500

Product Codes

Case	Box	Tubes
7105274000	7105273000	7105272000

Program Details

- Timing: Available for order on 4/17/98

Case Quantity: _____ Display Quantity: _____

Pricing Details

Invoice Description: (Eric Stewart to provide)

Pricing: \$825/case

Terms: Standard 3.50%, .5% EFT

Additional allowances:

Per store: \$3.00 display allowance to retailer

Per store: \$3.00 incentive to Jobber SR

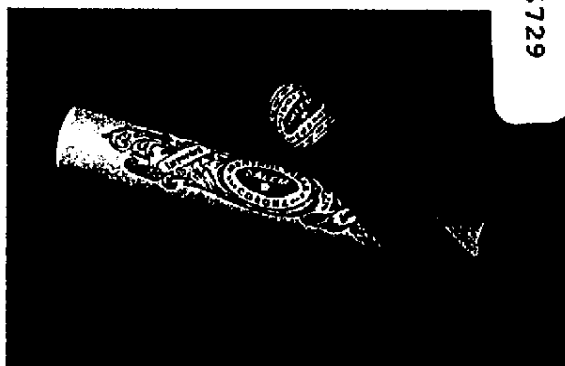
Per box: \$1.00 introductory allowance

- EFT Amount: _____

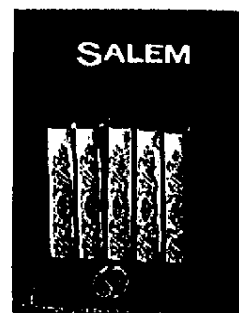
If there are any problems with this promotion, please contact your RJR Representative:

_____, VoiceMail #: _____

Thank you for your participation.



51851 5729



Introducing SALEM Cigars with natural menthol. Lightly flavored with menthol for a smoother aftertaste and cooler smoking experience:

- A high quality corona-size cigar for menthol smokers
- 100% natural leaf wrapper
- Dominican, Honduran, and Italian filter
- Humidor tube keeps product fresh

Product Configuration: 25 cigars per box, each cigar in individual tube

Program Details:

- Timing: Shipped week of 4/20/98

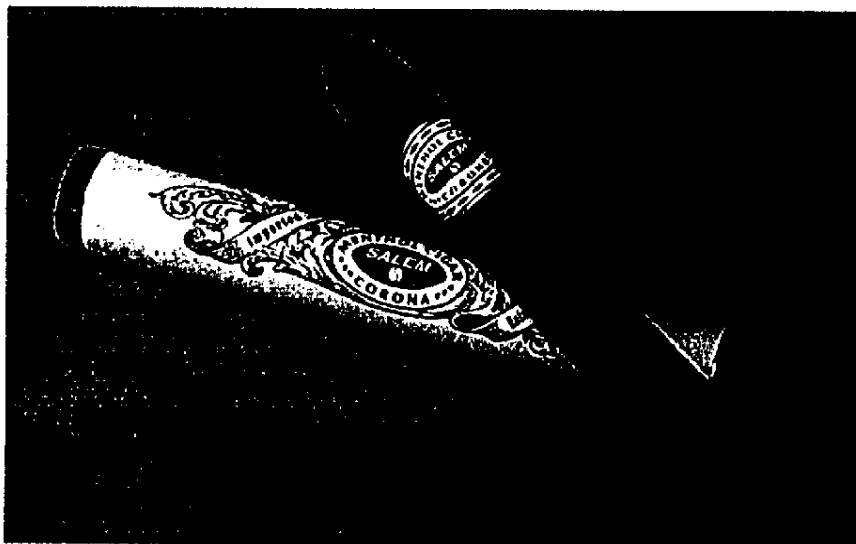
- Quantity:

of Boxes: _____ # of Salable Units: _____

- Number of Boxes Billed For: _____
- Display: Holds 15 cigars, free-standing or lock onto SALEM Display
- Promotional Allowances:

Display Allowance _____

Introductory Box Allowance _____



51851 5730



Important Dates and Information

- Initial Inventory:
 - 160 cases 3,200 Boxes
 - 1,000 Salem Cigar Displays (1 per 3 1/8 boxes)
- Distribution Objective: 1,000 stores (Max!)
- Turn-Key Program
 - Target DA's with Salesforce or strong Tele-Marketing program.
 - Need to target to "True Cigar Stores"
 - Very Flexible Incentive Program (\$7.00)
 - Display placement is Key to program.
- Important Dates:
 - Live Samples: available April 3 (earliest)
 - Meeting with W-S Mgrs ... approx. April 6
 - Must have sample product when presenting to Direct Accounts ... Important!
 - First order date: April 17, 1998
- How Do we Work the DA Program (\$7)?
 - Explained on the next page.

51851 5731



Wholesale DPC Promotion

(3 different types)

- ❶ Program #1: For Direct Accounts with a Jobber Salesforce (No RJR Retail Involvement).

\$3.00	<i>Distribution / display allowance to retail</i>
\$3.00	<i>Incentive to Jobber SR</i>
<u>\$1.00</u>	<u><i>New brand incentive to Direct Account</i></u>
\$7.00	<i>Payment per Store / by RJR</i>
<i>(plus a \$1 per box ongoing retail reorder incentive)</i>	

- ❷ Program #2: For Direct Accounts without a Jobber Salesforce ... that supply the true target retail outlets in the Boro's of NYC (RJR Involvement).

\$1.00	<i>Payment to the Direct Account</i>
\$3.00	<i>Payment to Retail / dist & display allow.</i>

Targeted stores will be prebooked by RJR Sales Rep's.

- ❸ Program #3: Directs that sell to Sub-Jobbers (RJR Kam/Am will sell the Sub-Jobbers ...the SJ's will sell to retail).

\$1.00	<i>To D/A for handling/shipping to SJ</i>
<u>\$6.00</u>	<u><i>To Sub-Jobber to sell the dist/display</i></u>
\$7.00	<i>(\$3 to retail / \$3 to SJ salesman)</i>

51851 5732



Salem Cigar Direct Account Targets

* Turn-Key Program

* Direct Account Salesforce

Direct Accounts

- H. Levinson
- Jos.Stommel
- Gutlove Tobacco
- Pennesi Tobacco
- Andron (NYC only)
- Boro Park Tobacco
- B. Hall Tobacco
- Mandell Tobacco
- Amsterdam Tob.
- Globe Wholesale
- South Beach Nov.
- T&R Tobacco
- Duane Reade
- Bonanza Too

Direct Account Program

Structure to be Worked

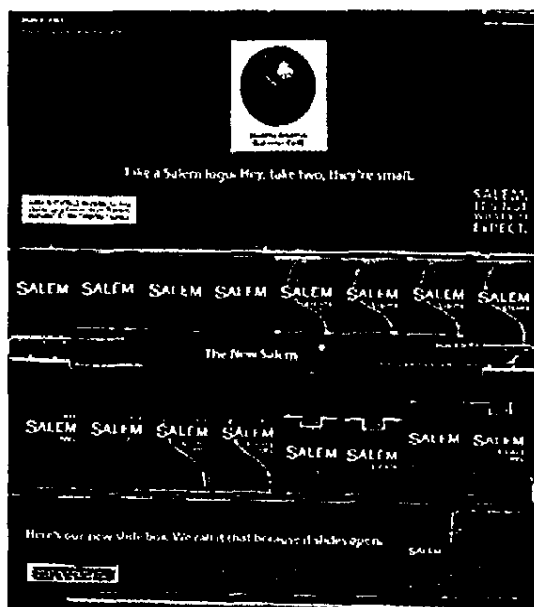
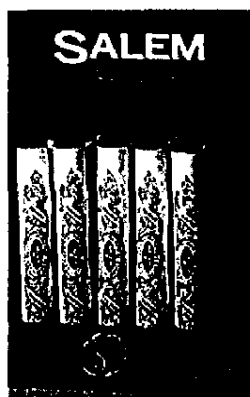
- Jobber SR (\$7)
- Jobber SR (\$7)
- Jobber SR (\$7)
- Jobber SR (\$7)
- Jobber SR (\$7)
- Jobber SR (\$7)
- Jobber SR (\$7)
- SR Prebook / Specific calls
- SR Prebook / Specific calls
- SR Prebook / Specific calls
- SR Prebook / Specific calls
- Jobber SR (\$7)
- Chain Dist. Program (\$7)
- DA/Sub-Jobber program

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Salem Cigar Display Priorities

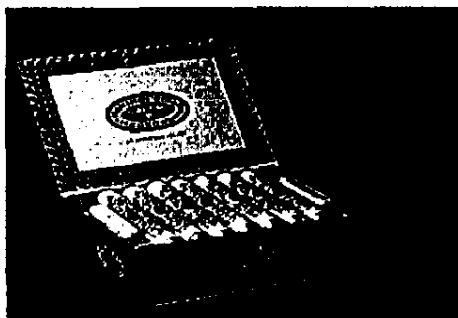
☐ #1 Display Priority:

**Next to your Salem Display!
or ... S/S on the sales counter!**



☐ #2 Display Priority:

**With the other cigars in the humidor
case or on the cigar fixture
in most cases, the cigar box will be
the only display for this situation.**



51851 5734

What are our Retail Targets?

(Looking for a Max. of 1,000 locations)



- Duane Reade / Manhattan (70 locations)
- Eastern Lobby / Upscale Manh. locations
- Hudson News ... Stommel can sell (50)
- Other Hotel Gift Shops / Mid-Town
- Independents / "in the Village"
- CTS / Boro's and Long Island
- Manhattan "True" Cigar/Tobacco stores.
- Selected Green Zone Cigar Stores
- Office Building / Lobby stands NYC
- SR calls / high Cigar Volume (Boro's/LI)

51851 5735

"Example Prebook"



"New"

Salem Menthol Cigars Retail Prebooking Order

Store Name: _____

Address: _____

City: _____

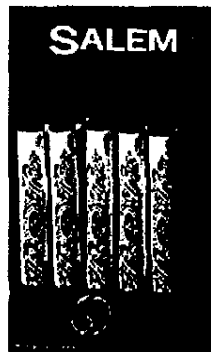
Supplier: _____

Customer #: _____

RJR Rep: _____

Voice Mail #: _____

Delevery date: _____



Counter
display

Salem Methol Cigars (Box of 25) _____ boxes
Ship Salem Cigar Display _____ Yes _____ No

(Special \$3.00 off a box introductory payment)

51851 5736

Note: Only to be used for targeted stores that buy from Mandell, Globe, South Beach, or Amsterdam tobacco.

Salem Cigar Test: Introduction Schedule

April 1998

Sun	Monday	Tuesday	Wednesday	Thursday	Friday	Sat
	Meeting with Salem Group Next Week		1	2	3 Sample Cigars are Available	4
5	6 Begin Selling Targeted Direct Accounts	7	8	9	10	11
12	13	14	15	16	17 First Order Date for Direct Accounts	18
19	20 Directs Begin Shipping Cigars and Displays to RETAIL	21	22	23	24	25
26	27	28	29	30		

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